SHRI K. P. SINGH DEO: Mr. Chairman, Sir, the suggestion given by the hon. Member is extremely important. We will explore the possibility of giving wide publicity to our achievements.

SHRI SATISH AGARWAL: Mr. Chairman, Sir, in reply to the question, an answer had been laid on the Table of the House. The trust of the question was, "How much time is being devoted to scientific research and educational programmes?" Sir, if you look at the answer, the total time for science magazine programme is 9 hours. Out of 600 hours in a month, only 9 hours are being devoted to science magazine programme. Apart from the education programme, I am taking 20 hours a day to be the working hours for the TV. Then, multiplied by 30, it comes to 600 hours a month. And only nine hours are being devoted for this. I would like to know this from the hon. Minister. In view of the fact of liberalisation, of globalisation, of encouraging competition and of Zee TV, Cable TV, BBC, etc. coming into this field, how will you make the DD more popular in the houses and among the children of smaller age-groups? In my own family, my grandchildren never see the DD programmes normally. I switch it on just for news purposes. I do not see pictures and films. I see only the news. The children will go on enquiring of me how much more time it will take for the news to be over. The moment it is over, they will switch it on to other TV programmes. In order to meet this competition, will you kindly have some sort of a review or a study on the basis of the percentage of viewers of DD programmes more particularly among children and students, about this programme and other programmes so as to meet the challenges which you are going to face? Integrity alone does not bring in efficiency to the Department, Mr. K. P. Singh Deo. You may be, and you are, above board. But that does not imprat efficiency to your Department. Kindly do something in this regard.

MR. CHAIRMAN: Please conclude now.

SHRI SATISH AGARWAL: Will you carry out a study with regard to the viewers of DD in comparison to the other things, looking to the competition?

SHRI K. P. SINGH DEO: Sir, review and study are a continuous process. We are reviewing, we are studying and we are also innovating and as a result of the reviews which have been carried out in the Department, and also by bodies which are not directly under the Department, which are autonomous bodies, we are incorporating certain things. Things are improving and we will still strive to reach excellence. We shall leave no stone unturned for achieving that.

MR. CHAIRMAN: Question No. 384.

Refinancing to Cooperatives in Karnataka stopped by NABARD

*384. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE be pleased to state

(a) whether NABARD has stopped refinancing the cooperatives in Karnataka;

(b) if so, the reasons therefor;

(c) what is the total outstanding interest and principal of cooperative loans by NABARD in Karnataka and the time limit fixed by NABARD; and

(d) what are the overdues and whether Government of Karnataka has complied with the requirement for the eligibility?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (d) A Statement is laid on the Table of the House.

Statement

(a) National Bank for Agriculture and Rural Development (NABARD) has reported that it has stopped refinance

facilities to cooperatives (both short term and long term cooperative credit structure) in Karnataka with effect from 29.12.1994.

(b) This has been done as the scheme introduced by Government of Karnataka envisaging waiver of interest and penal interest payable by the borrowers to the Primary Agricultural Credit Societies/ Primary Land Development Banks on the loans taken from them was not in line with the instructions/guidelines issued by Reserve Bank of India/ NABARD.

(c) and (d) NABARD refinancing to Apex Cooperative Institutions are based on adherence to certain basic criteria such as the prescribed level of share capital and reserves, level of overdues, etc. by the Cooperatives and their compliance with the guidelines/instructions of RBI/NABARD relating to operational discipline.

The outstandings to NABARD are as follows:

	(Rs. in crores) Outstanding	
	Principal	Interest
*Karnataka State Apex Cooperative Bank (KSACB)	113.04—	
**Karnataka State Cooperative Agriculture & Rural Development Bank (KSCARDB)	488.82	29.88

*KSACB — as on–28–4–1995
**KSCARDB as on 26-4-1995

In addition, an interim finance of 2.52 crores sanctioned to NABARD along remains as an overdue outstanding.

SHRI K. RAHMAN KHAN: Sir, there is a stalemate in Karnataka about the refinancing of co-operative loans by the NARBARD. The answer says that the NARBARD has stopped refinancing facilities to co-operatives (both short term and long term co-operative loans) from 29.12.1994 because the policy of the Government of Karnataka, of waiver of interest and penal interest, was not in line with the instructions issued by the Reserve Bank of India. The NABARD is refinancing the Apex Co-operative Institutions and not the Government of Karnataka. Whether the norms are broken or not observed by the Government of Karnataka or by the Apex co operative Institutions is not clear from the answer. I would like to know who have violated the norms, whether the Government of Karnataka have violated the norms or the Apex Co-operative Institutions have violated the norms. If the Apex Co-operative Institutions have violated the norms, the NABARD is well within its rights to take action. But if the Apex Co-operative Institutions have not violated the rules, then the farmers of Karnataka should not be forced to suffer. It is almost four months since the NABARD has stopped refinancing. What would be the fate of the farmers of Karnataka?

MR. CHAIRMAN: Please conclude the question.

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH) Sir, refinance from the Reserve Bank or the NABARD cannot be claimed as a matter of right. Refinance is given to serve certain specific purpose. If the State Governments, for example, what to use co-operative institutions for purposes which are inconsistent with the operational discipline that the Reserve Bank or the NABARD wants to maintain, the Reserve Bank or the NABARD is well within its right not to grant refinance.

SHRI K. RAHMAN KHAN: Sir, the hon. Finance Minister said that refinancing is not a matter of right. I agree with him. But, this is the policy of the Government to finance the co-operative institutions through NABARD. Now, here, the Government have announced a certain loan waiver scheme as a populist measure as a result of which the farmer are suffering. How are we going to mitigate their sufferings and how long will this stalemate continue? This is my first question. Secondly, part (c) of my question was: "What is the total

outstanding interest and principal of co-operative loans by NABARD in Karnataka? The principal outstanding against the Karnataka State Apex Co-operative Bank is Rs. 113.04 crores and the principal outstanding against the Karnataka State Co-operative Agriculture and Rural Development Bank is Rs. 488.82 crores and Rs. 29.88 crores as interest. My question was: "What is the outstanding amount and what is the interest?" The Government of Karnataka is bearing the entire cost. My appeal to the Finance Minister is that the farmers should not be made to suffer because of the policy of the Government of Karnataka.

SHRI MANMOHAN SINGH: I do agree the farmers should not suffer. But I would also submit to this hon. House that any scheme which weakens the credit discipline in our country, which encourages people to go to the extent of either waiving of loans or waiving of interest, in the long run weakens the credit discipline. It weakens the repayment ethics. Every year, before elections, if these promises are made and then they are fulfilled, that would lead to the collapse of the Indian banking system and I would also submit that for the last four years, I have roughly provided Rs. 1,500 crores each year from the Central Budget because of certain actions taken by the previous Governments in 1990. I do not propose to repeat that. That would not be fair to the tax payers of the country.

SHRI SOMAPPA R. BOMMAI: Sir, the Government of Karnataka has waived the interest of those farmers who will pay their debts in due time. This scheme was introduced to help the farmers because of the drought and flood that had affected the State during the last year. Otherwise, the farmers will not be able to pay it at all and because of this incentive, the recovery is good. Many farmers had availed themselves of this concession and it is going to help them also. The real purpose of extending the loans to the farmers at a low rate of interest is to help them in developing their crops. Sir, your answer does not show any human face. Even the Prime Minister had no human face. You are a very cultured, sensitive and honest person. But you are lossing your human face. Try to understand the purpose behind the scheme. Try to understand the human face, the sympathy and the attitude of the Karnataka Government towards the farmers and direct the NABARD to immediately release the funds.

SHRI MANMOHAN SINGH: Mr. Chairman, Sir, with regard to calamities and other events, beyond the control of the farmers, there are already standardised rules and regulations for rescheduling of loans and these rules explicitly recognise that there are situations in which farmers cannot repay. Therefore, loan and interest waivers are also granted. But, a general scheme, which says that all farmers, regardless of their circumstances, would get the benefit of waiver of interest, I don't think, Sir, fall into that category. It is a general inducement to weaken the credit discipline and, I would submit, the history of the last four years clearly shows that farmers have not benefited. Today, the agricultural credit system of this country is moribund. The co-operatives are not able to do what they should be doing and if we go on this route, I think; that can only lead to a disaster for the agricultural system. If the Government of Karnataka or any other Government is really interested in helping the farmers, let them put the same amount in restructuring the co-operative movement and that would be a better service to the farmers of Karnataka than this sort of scheme which, in my humble opinion, fans credit indiscipline.

MR. CHAIRMAN: Shri Jagannath Mishra.

SHRI SOMAPPA R. BOMMAI: One more question, Sir. The Karnataka Government is reimbursing this amount. Whatever interest is waived, it has been reimbursed by the Karnataka Government. Will you release the fund for the apex institution because the Government has undertaken to reimburse it?

SHRI MANMOHAN SINGH: Sir, it was the same thing. When the Loan Waiver Scheme was implemented, the Central Government was asked to reimburse to the banks and we saw the consequences of that. This, I think, is the same type of scheme. Therefore, I respectfully submit to the House that they should not support schmes which can credit indiscipline in our country.

डा० जगन्नाथ मिश्र: सभापति महोदय, कर्नाटक का विषय जो माननीय सदस्य ने उठाया है, यह केवल कर्नाटक तक ही सीमित नहीं है, देश के विभिन्न राज्यों की स्थिति ऐसी बन रही है जिसमें सहकारी बैंक किसानों के बीच जो साख वितरित करता आ रहा है पिछले वर्षों में, उसमें निरन्तर ह्रास हो रहा है। उदाहरण के लिये बिहार में जहां 1989–90 में 20 करोड़ रुपये प्रति वर्ष किसानों के बीच वितरित किये जाते थे वह राशि पिछले पांच वर्षों में घटकर 20 और 23 करोड़ के बीच में पहुंच गई है। राज्य सरकार ने 10,000 रुपये तक के कर्जे की माफी की, सूद की माफी की, दंड सूद की माफी की, जिसके फलस्वरूप वहां के सहकारी बैंकों की स्थिति बिगड़ी है। तो क्या भारत सरकार राष्ट्रीय स्तर पर कोई ऐसी नीति बनायेगी कि भिन्न-भिन्न राज्य सरकारें जो स्थिति पैदा कर रही हैं और जिस की वजह से किसानों पर विपरीत प्रभाव पड़ रहा है–राज्य सरकारें घोषणायें करती हैं और साख की सीमा घटती जा रही है, क्या केन्द्रीय सरकार सभी राज्यों की जांच-पड़ताल कराकर, विशेषज्ञों से जांच पड़ताल कराकर कोई ऐसी राष्ट्रीय नीति बनायेगी जिसमें कि राज्य सरकारों को छूट नहीं हो, जो सख्तदंड निर्धारित किया जाये, सख्ती से उसका अनुपालन किया जाये।

SHRI MANMOHAN SINGH: Mr. Chairman, Sir, in the last two years I have encouraged NABARD to engage in discussions with all the State Governments to revitalise the cooperative movement and it is a said commentary on the agricultural credit system that with the exception of a few States like Kerala and Punjab, the coopreative movement today is not fulfilling the essential purposes. but for that, the schemes like the Loan Waiver and related schemes must bear a major responsibility. The State Govenments should cooperate with NABARD in restructuring the cooperative credit structure. We will help them to the maximum extent possible.

SHRI G. Y. KRISHNAN: Sir, the hon. Minister has stated that the cooperatives have to be encouraged. Now this sort of treatment to the agiculturists has ruined the incentive given to the agiculturists. What is the remedy that they are going to give? Who is responsible for this? What is the punishment they are proposing?

SHRI MANMOHAN SINGH: Sir, I have already mentioned that NABARD is entirely within its right not to agree to refinance where the credit discipline and operational guidelines issued by NABARD are not being implemented. That is the least, I expect, NABARD can do and this is what, I respectfully submit to the House, they should support because any general weakness of credit discipline, in the long run, will hurt India's farmers more than these populist schemes of loan waiver and interest waiver.

SHRI B. K. HARIPRASAD: Sir, whenever there is indiscipline in the finance or credit system, it will be confined to the poor farmers. It is very unfortunate, Sir, maybe, because of the policy of the new Government they might have waived the interest facilities in the cooperative sector. Sir, as the hon. senior Member, Shri S. R. Bommai, has said for the past four years, Karnataka is reeling under severe drought and flood situation. We have also seen cathquakes in some parts of the State. The State has requested the Centre to give Rs. 100 crores for the damages caused by droughts and floods. Sir, apart from the Calamity Relief Fund....

MR. CHAIRMAN: Question Hour is over.